

NTT Ltd.

NTT Ltd. TCFD 2025 report

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Contents

- 1. Executive summary..... 4
- 2. Governance 6
 - 2.1. Describe the board’s oversight of climate-related risks and opportunities 6
 - 2.2. Describe management’s role in assessing and managing climate-related risks and opportunities..... 7
- 3. Strategy..... 8
 - 3.1. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term 8
 - 3.2. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning 8
 - 3.3. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. 9
- 4. Risk Management..... 10
 - 4.1. Describe the organization’s processes for identifying and assessing climate-related risks 10
 - 4.2. Describe the organization’s processes for managing climate-related risks 10
 - 4.3. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management 11
- 5. Metrics and Targets..... 12
 - 5.1. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process 12
 - 5.2. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks 12
 - 5.3. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets 13
- 6. Document review..... 14

List of figures

Figure 1: Governance structure 6

Figure 2: Risk Management Process 10

List of tables

Table 1: Document control 3

Table 2: Document history 3

Table 3: Recommended disclosure 5

Table 4: Climate risks..... 9

Table 5: Climate opportunities 9

Table 6: Metrics..... 12

Table 7: Emission..... 12

Table 8: SBTi..... 13

Table 9: Document review 14

Document control

Table 1: Document control

Document name	NTT Ltd. TCFD 2025 Report
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Document history

Table 2: Document history

Issue	Date	Comments	Pages Affected
0.1	01 September 2025	First draft for NTT Ltd.	All
1.0	24 September 2025	Document review, approval and publication	All

1. Executive summary

NTT Ltd. is an indirect wholly-owned subsidiary of NTT DATA, Inc. (NTT DATA ([See Figure 1](#))).

NTT DATA recognizes that climate change risks associated with the transition to a low-carbon economy, as well as chronic changes in weather patterns and extreme weather events, could affect the company's business strategy over the next decades. Climate opportunities are also relevant for us as they are critical to building the resilience of our business by increasing our revenue from low-carbon products and attracting new customers.

This year we have taken significant steps to tackle climate change by strengthening our governance structure and risk management processes to properly manage sustainability risks. We have also established appropriate metrics and targets that resulted in significant emission reductions compared with the previous year.

We are committed to transparently disclosing the work done by NTT DATA to address climate change in line with recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)¹.

To achieve greater alignment with the TCFD recommendation and prepare for the new IFRS S2 Climate-related Disclosures issued by the International Sustainability Standards Board², we have also carried out a gap analysis. The objective was to identify gaps in disclosure as well as internal processes and frameworks. We draw on the results of the gap analysis to build a TCFD roadmap, which sets out the priority areas for the company to focus on for the next reporting cycles. A summary of the next steps and future priorities is provided at the end of the report.

The table below summarizes our performance and disclosure for each recommended disclosure, as identified in the gap analysis.

Recommended disclosure	Current performance	Page
2.1. Describe the board's oversight of climate-related risks and opportunities.	Fully disclosed	6
2.2. Describe management's role in assessing and managing climate-related risks and opportunities.	Fully disclosed	7
3.1. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	In progress	8
3.2. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Partially disclosed	8
3.3. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	In progress	9
4.1. Describe the organization's processes for identifying and assessing climate-related risks.	Partially disclosed	10

¹ <https://www.fsb-tcf.org/recommendations/>

² The [International Sustainability Standards Board](#) (ISSB) was established in 2021 by the International Financial Reporting Standard (IFRS) Foundation with the mandate to develop "a comprehensive global baseline of sustainability disclosure standards". ISSB builds on the work of other sustainability and climate-related initiatives and frameworks (GRI, CDP, SASB, etc.). In June 2023, ISSB has launched two inaugural norms (IFRS S1 and IFRS S2) that integrate the TCFD framework and follow the same four-pillar structure. Starting in 2024, the FSB will transfer the responsibilities of the TCFD to the ISSB.

4.2. Describe the organization’s processes for managing climate-related risks.	Partially disclosed	10
4.3. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	Partially disclosed	11
5.1. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Partially disclosed	12
5.2. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Fully disclosed	12
5.3. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Fully disclosed	13

Table 3: Recommended disclosure

The report follows the structure of the TCFD recommendations by pillar and recommended disclosure. For some recommended disclosures, we are in the process of internal alignment to provide further information in future reporting years.

2. Governance

NTT DATA, Inc. has a robust sustainability governance structure to oversee our sustainability strategy, with processes and roles assigned to manage sustainability risks. NTT Ltd. and its affiliates are NTT DATA, Inc. companies.

NTT DATA's sustainability governance structure is illustrated below.

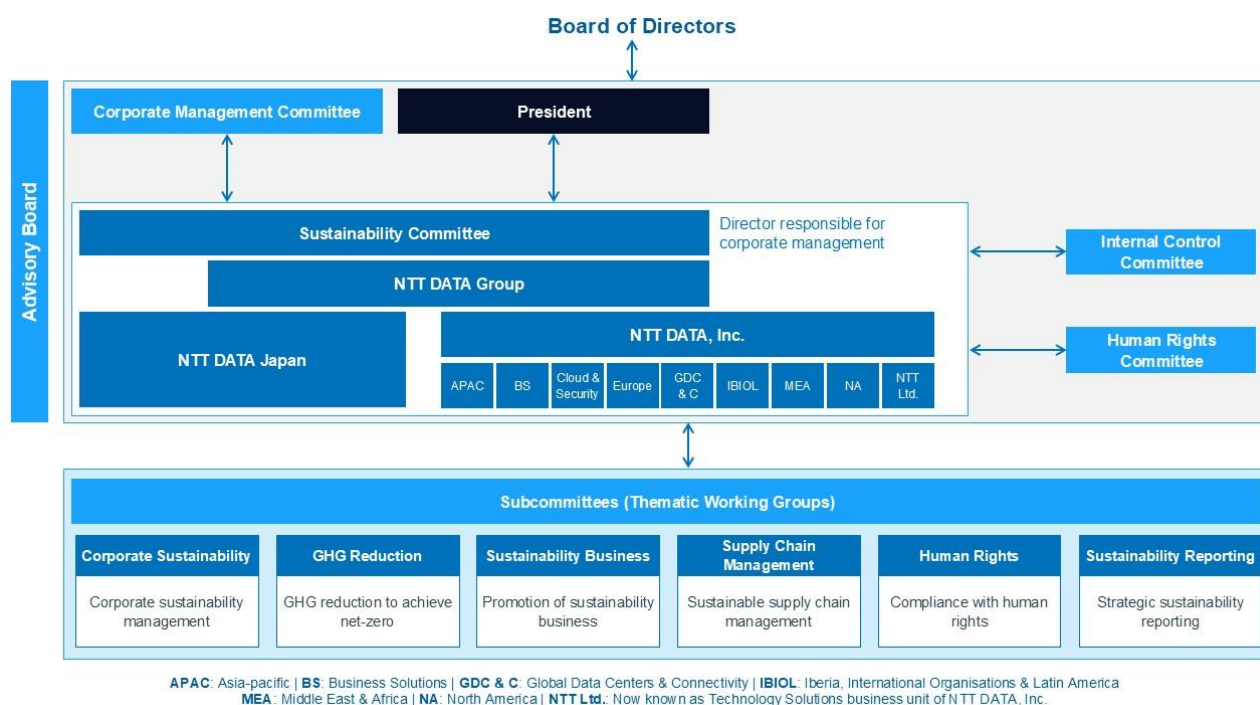


Figure 1: Governance structure

2.1. Describe the board's oversight of climate-related risks and opportunities

At NTT DATA Group, sustainability-related issues are discussed at the Board of Directors meetings, where strategies are presented, policies are decided, and monitoring is conducted. Under the leadership of the President and CEO, Representative Director, discussions are held at the Strategy Office, the main entity in charge of management strategies; the Sustainability Innovation Department; and other related entities to plan, formulate, and execute policies, goals, and measures to ensure sustainability. We also monitor the progress of various plans set in the medium-term management plan (FY2022–2025). Until now, through the Green Innovation Committee, we have been promoting the provision of solutions for the decarbonization of customers and society and the reduction of our own greenhouse gas emissions.

From April 2024, to drive sustainability management from a broader perspective, the Green Innovation Committee has evolved into the Sustainability Committee. The Sustainability Committee is chaired by the Senior Executive Vice President and Representative Director responsible for Corporate Management, and includes representatives from NTT DATA Group Corporation, NTT DATA Japan Corporation, and NTT DATA, Inc. Under the leadership of the President and CEO, Representative Director, it continues to oversee the Board of Directors and provide recommendations regarding sustainability management while also formulating strategies and conducting monitoring activities. In addition, six subcommittees (Thematic

Working Groups) have been established to conduct practical discussions on various issues related to sustainability management. Progress is reviewed to the Board of Directors twice a year.

2.2. Describe management's role in assessing and managing climate-related risks and opportunities

In preparation for compliance with the Corporate Sustainability Reporting Directive (CSRD), NTT DATA Group undertook a double materiality assessment (DMA) to identify sustainability and climate-related impacts, risks, and opportunities most material to the organization and its sector.

Topics with the highest scores, evaluated against defined thresholds of impact materiality and financial materiality, were consolidated into a double materiality matrix. The resulting analysis was subject to review and validation by external experts and senior management of NTT DATA Group, ensuring methodological rigor, alignment with internal governance processes and external rigor.

This assessment resulted in the identification of 13 material topics. These topics were subsequently reviewed, formally approved, and adopted by the Board of Directors, reflecting the Board's oversight responsibility in integrating climate-related considerations into corporate strategy, risk management, and long-term value creation.

3. Strategy

3.1. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term

We are evaluating how climate-related risks and opportunities might impact our organization over the short, medium, and long term. As part of the scenario analysis exercise that we are planning to conduct next year, we have selected time horizons that are relevant for our business context and growth strategy.

3.2. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

NTT Ltd. is conducting a climate scenario assessment to identify the most significant climate risks and opportunities that could impact our operations, as described in the table below (indicative). Our efforts are aligning with the scenario analysis approach and assumptions followed by NTT DATA.

We have defined three objectives we want to achieve as part of the quantitative scenario analysis:

1. Identify the risks the company is most exposed and vulnerable to, as well as new sources of opportunities for our business.
2. Assess how these risks might change under different climate scenarios and their potential financial implications.
3. Understand the different ways in which we would need to adjust our business strategy to respond to the risks by increasing our preparedness.

The following tables include a preliminary list of climate risks and opportunities that we want to prioritize for the scenario analysis.

Risk type	Risk category	Risk	Potential impact on our operations
Transition risks	Policy	Increased pricing of GHG emissions	Increased energy costs due to carbon pricing regulation affecting utility companies
		Mandates on and regulation of existing products and services	Increased costs and/or reduced demand for products and services that could reduce our revenues
	Technology	Costs to transition to lower emissions technology	Increase in capital expenditure required to adopt lower emissions technologies
	Market	Changing customer behavior	Shift from our legacy products and services due to shift in client preferences
Physical risks	Resilience	Participation in renewable energy programs and	Lower operating costs due to savings

		adoption of energy efficiency measures	
	Chronic	Rising mean temperatures	Increasing temperatures might impact the labor productivity and increase the cooling costs
	Acute	Heat waves	Increasing temperatures might impact the labor productivity and increase the cooling costs
		Droughts	
		Changes in precipitation patterns, storms, and extreme variability in weather patterns	Asset damage and data center downtime

Table 4: Climate risks

Opportunity type	Opportunity category	Opportunity	Potential impact on our operations
Transition opportunities	Energy source	Use of lower-emission sources of energy	Reduced operating expenditure due to efficiency gains
	Products and services	Development and/or expansion of low emission goods and services	A higher demand for lower emissions goods and services might increase our revenues

Table 5: Climate opportunities

3.3. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

We have undertaken the first steps in this regard by modelling and committing our net-zero science-based target validated by the SBTi organization in line with the 1.5°C pathway. This helped us appreciate that we need to decouple our economic growth from our energy and raw materials consumption to be able to reduce emissions in a consistent and sustainable way. We plan to conduct a more robust scenario analysis in the duration of our fiscal year 2025 and evaluate the resilience of our strategy and business model under different scenarios.

4. Risk Management

NTT Ltd. and its affiliates are NTT DATA, Inc. companies.

Climate-related risks are addressed utilizing the NTT DATA, Inc. Group Risk Management policy and framework. The risk management process is illustrated in the following diagram.



Figure 2: Risk Management Process

The responsibility for an effective Risk Management structure for Risk governance, including Risk oversight, instilling a positive Risk culture across our business, and setting the strategic context for Risk, rests with NTT DATA, Inc. Board of directors and Unit Board of directors respectively.

4.1. Describe the organization's processes for identifying and assessing climate-related risks

Risk identification is a process that involves systematically discovering, recognizing, and describing risks that may hinder the achievement of our sustainability objectives. This process includes identifying the sources of risk and understanding their potential consequences. Effective risk identification is best achieved through cross-functional collaboration, leveraging insights from various areas of the business. With a clear understanding of strategic and operational objectives, management assesses events, both internal and external, that could influence outcomes, distinguishing between those that pose risks (negative impact) and those that present opportunities (positive impact). Once risks are identified, they are analyzed and evaluated to determine their nature, sources, and causes. This includes assessing the likelihood of occurrence, assessing the potential impact, and reviewing the adequacy of existing controls. Risks are assessed on both an inherent and residual basis, considering the probability of occurrence (likelihood) and the magnitude of consequences (impact) should the risk materialize.

The NTT DATA, Inc. Group Material Risks are the ones that have the potential to materially and adversely affect the key value drivers of our brand and reputation, governance, financial performance, and operating efficiencies and effectiveness. NTT DATA Group identified 16 material risks considered to be of greatest significance to our business.

Climate change has been identified as a material risk that might materialize if the company fails to meet its environmental regulatory obligations or successfully implement the company's sustainability strategy.

4.2. Describe the organization's processes for managing climate-related risks

The climate change and human rights material risks are mitigated through our sustainability strategy that integrates three interconnected themes (Planet Positive, Prosperity Positive and People Positive) each supported by specific material topics. In addition, a risk owner is identified, who develops risk and control

indicators, implements risk management activities, and monitors the risk against the established metrics for climate change and human rights.

4.3. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management

Climate change risk is one of our 16 material risks, and it is fully integrated into our overall risk management framework. NTT DATA, Inc. Group's risk management policy and framework is aligned with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and the ISO31000 Risk Management Standard.

We follow the same processes for identifying, assessing, and managing climate change risk as we do for all other significant risks.

In addition, potential climate-related risks have been identified and assessed as part of our Double Materiality Assessment in preparation for compliance with Corporate Sustainability Reporting Directive. Each topic has been assigned accountability for the management of related impacts, risks and opportunities.

5. Metrics and Targets

5.1. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

To monitor and manage the climate change risk, we have established the following metrics.

Metric	Metric description
Tonnes of CO₂e	The amount of greenhouses gas emissions reduced from scope 1, 2 and 3 to achieve our net zero public commitments.
% renewable energy	The amount of energy from renewable sources (e.g. solar, wind, hydro, tidal, geothermal, biomass) expressed as % from the total energy consumption in the organization boundaries of control as defined in our basis of reporting.

Table 6: Metrics

5.2. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks

NTT Ltd. began measuring and publicly reporting our Scope 1, Scope 2 and Scope 3 greenhouses gas (GHG) emissions data for FY21. Since fiscal year 2022, our greenhouses gas (GHG) emissions inventory has been externally assured with limited assurance by an independent third party in accordance with the Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (revised edition, Jan 2015) and ISO 14064 – Part 3:2019 for greenhouses gas emissions.

NTT Ltd.'s GHG emissions for FY24 were:

Emissions (tCO ₂ e)	FY24
Scope 1	31,408
Scope 2 (market-based)	231,439
Scope 3	3,642,277
Total emissions	3,905,123

Table 7: Emission

For FY24, NTT Ltd. recorded 55% of its energy usage came from renewable energy sources.

In addition to our GHG emissions, we have undertaken the first steps of measuring and reporting metrics related to water and waste, which we plan to start disclosing in the next reporting cycles.

5.3. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets

In 2023, the Science-Based Initiative (SBTi) validated our commitment to reach net-zero GHG emissions across the value chain by FY2040, in line with the 1.5°C pathway.

Scope	Base year	Near-term target (FY2030)	Long-term target (FY2050)
Scope 1 and Scope 2	FY21	68%	At least 90%
Scope 3	FY21	42%	At least 90%

Table 8: SBTi

6. Document review

This NTT Ltd. TCFD Report shall be reviewed and reproduced each fiscal year to ensure its relevance and effectiveness. Updates may be made to address changing business needs, regulations, and industry best practices.

Review history

Table 9: Document review

Issue	Date	Changes	Author	Reviewed by	Approved by
1.00	24 September 2025	None – Version 1.00 of the document	Senior Team Lead: Human Rights Compliance NTT DATA, Inc.	Head of ESG Compliance NTT DATA, Inc. Head of Net Zero NTT DATA, Inc.	Senior Vice President: Corporate Sustainability NTT DATA, Inc.